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ABSTRACT

A survey of California's community colleges was conducted in spring 1983 to inventory actions taken in response to 1982-83 budget limitations. Findings, based on an 81% response rate from community college presidents (N=86) and an 80% response rate from chancellors of multi-college districts (N=16), included the following: (1) overall, fall 1982 enrollment declined by 5.3%; (2) 95% of the colleges reduced course offerings; (3) 41% reduced student outreach, recruitment, and public information efforts; (4) 52% reduced the number of off-campus locations; (5) 87% reduced the number of part-time faculty; (6) reductions in full-time faculty were linked to the level of district budget reductions; (7) 57% of the colleges reduced their administrative staffs; (8) nearly 50% reduced counseling, learning resource, student services, and other support staff; (9) most deferred scheduled expenditures; (10) 85% were using reserve funds for current operations; (11) 72% increased the amount of fees charged; (12) 70% increased permissive fees charged; and (13) contract provisions for classified staff were renegotiated by 42% of the colleges, for full-time faculty by 40%, for certificated non-faculty by 33%, and for part-time faculty by 30%. The study findings led to the conclusion that budget constraints have threatened the scope and quality of California's community colleges. (LL)

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IMPACT OF 1982-83 BUDGET CONSTRAINTS ON THE CALIFORNIA COMMUNITY COLLEGES

Results of a Commission Survey

VC 830 457

CALIFORNIA POSTSECONDARY EDUCATION COMMISSION

1020 Twelfth Street, Sacramento, California 95814

The California Postsecondary Education Commission was created by the Legislature and the Governor in 1974 as the successor to the California Coordinating Council for Higher Education in order to coordinate and plan for education in California beyond high school. As a state agency, the Commission is responsible for assuring that the State's resources for postsecondary education are utilized effectively and efficiently; for promoting diversity, innovation, and responsiveness to the needs of students and society; and for advising the Legislature and the Governor on statewide educational policy and funding.

The Commission consists of 15 members. Nine represent the general public, with three each appointed by the Speaker of the Assembly, the Senate Rules Committee, and the Governor. The other six represent the major educational systems of the State.

The Commission holds regular public meetings throughout the year at which it takes action on staff studies and adopts positions on legislative proposals affecting postsecondary education. Further information about the Commission, its meetings, its staff, and its other publications may be obtained from the Commission offices at 1020 Twelfth Street, Sacramento, California 95814; telephone (916) 445-7933.

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INTRODUCTION

In the past several years, all segments of California higher education have had to make difficult decisions about allocating scarce resources. This year, the Community Colleges have faced particularly serious budget cuts: Their general support is the leanest since their "bail out" funding of 1978-79 that followed the passage of Proposition 13, having dropped $30,000,000 or 2 percent below last year's level.

For the past five years, Community College budgets have lagged behind inflationary cost increases. During this period, college budgets have lost nearly 20 percent of their buying power. This fact, coupled with current-year budget cuts have diminished access to a wide range of courses and programs--particularly high-cost technical and vocational programs--and not simply to recreational and avocational classes. Thousands of students have been unable to enroll in needed courses; institutions have been restricted from updating their technological programs by lack of funds for equipment purchase and replacement; and the substantial investment that California has made in the physical plant of the colleges is now threatened by growing backlogs in deferred maintenance.

These conclusions result from a survey of California's Community Colleges that the Commission undertook this past March to inventory the actions they had taken in response to current-year budget limitations. The Commission distributed its survey (reproduced in Appendix A on page 19-20) to all Community College presidents and to the chancellors of the State's 20 multi-college districts. Eighty-six of the 106 presidents (81 percent) responded, as did 16 of 20 chancellors of multi-campus districts (80 percent). (Table 1 lists the responding colleges and districts as well as the non-respondents.) Because the survey was designed to be brief, it did not seek to assess all the consequences of the actions colleges reported; but two-thirds of the respondents indicated a willingness to discuss their responses in greater detail with Commission staff. During April and May the staff interviewed these administrators by phone.

The Commission is indebted to the many superintendents and chancellors who responded to the survey, especially those who took time to participate in the follow-up interviews, and to Chancellor Hayward of the California Community Colleges for endorsing their participation in this project.

Based on the survey and these interviews, the staff concludes that, as a result of budget limits imposed during the 1982-83 fiscal year alone:

- 95 percent of the 86 responding colleges reduced course offerings.
- 90 percent of the 60 responding districts (including both single-college and multi-college districts) deferred equipment replacement.

*TABLE 1 Survey Respondents and Non-Respondents**

College Respondents			College Non-Respondents
Alameda	Gavilan	Redwoods	Canada
Allan Hancock	Golden West	Rio Hondo	Cerritos
American River	Grossmont	Riverside	Chaffey
Antelope Valley	Hartnell	Sacramento	East Los Angeles
Bakersfield	Imperial Valley	Saddleback, North	Fresno City
Barstow	Indian Valley	Saddleback, South	Glendale
Butte	Kings River	San Bernardino Vly	Lassen
Cabrillo	Lake Tahoe	San Diego Miramar	Los Angeles City
Canyons	Laney	San Francisco Cty	Los Angeles Harbor
Cerro Coso	Long Beach City	San Francisco Cntrs	Los Angeles Mission
Chabot	Los Angeles Southwest	San Jose City	Los Angeles Pierce
Citrus	Los Medanos	San Mateo	Los Angeles Trade-Technical
Coastline	Mendocino	Santa Ana	Los Angeles Valley
Columbia	Merced	Santa Barbara Cty	Marin
Compton	Merritt	Santa Monica	Oxnard
Contra Costa	Mira Costa	Santa Rosa Junior	San Diego City
Cosumnes River	Mission	Sequoias	San Diego Evening
Crafton Hills	Modesto Junior	Shasta	San Diego Mesa
Cuesta	Monterey Peninsula	Sierra	San Joaquin Delta
Cuyamaca	Moorpark	Siskiyous	Southwestern
Cypress	Mount San Antonio	Skyline	Ventura
De Anza	Mount San Jacinto	Solano	
Desert	Napa Valley	Taft	
Diablo Valley	Ohlone	Victor Valley	
El Camino	Orange Coast	Vista	
Evergreen Valley	Palomar	West Hills	
Feather River	Palo Verde	West Los Angeles	
Foothill	Pasadena City	West Valley	
Fullerton	Porterville	Yuba	

Multi-College District Respondents		Multi-College District Non-Respondents
Coast	Peralta	Marin
Contra Costa	Saddleback	Ventura
Foothill-De Anza	San Bernardino	West Valley
Grossmont	San Diego	Yosemite
Kern	San Francisco	
Los Angeles	San Jose	
Los Rios	San Mateo	
North Orange	State Center	

*The 86 college respondents and 60 district respondents (including single college districts) included in the college and district analyses are categorized as follows:

Type of Institution	College Respondents	District Respondents
Single-College District	44	44
College in Multi-Campus District	42	--
Multi-Campus District Office	--	16
Total	86	60

- 87 percent of the colleges reduced part-time faculty.
- 87 percent of the districts deferred capital outlays.
- 85 percent of the districts used reserve funds to support current operations.
- 85 percent of the colleges shifted previously State-supported courses to fee-supported community service classes.
- 80 percent of the districts deferred maintenance.
- 80 percent of the colleges reduced full-time faculty.
- 72 percent of the districts increased the amount of fees they charge.
- 71 percent of the colleges reduced support staff.
- 70 percent of the districts increased the number of fees they charge.
- 63 percent of the colleges eliminated programs from the curriculum.
- 60 percent of the districts deferred library acquisitions.
- 57 percent of the colleges reduced administrative staff.
- 52 percent of the colleges reduced the number of their off-campus locations.
- 48 percent of the colleges reduced their learning resources staff.
- 45 percent of the colleges reduced their counseling staff.
- 45 percent of the colleges reduced other student service staff.
- 42 percent of the districts renegotiated contract provisions for classified staff.
- 41 percent of the colleges reduced or changed their student outreach, recruitment, or public information efforts.
- 40 percent of the districts renegotiated contract provisions for full-time faculty.
- 33 percent of the districts renegotiated contract provisions for certificated non-faculty
- 30 percent of the districts renegotiated contract provisions for part-time faculty.
- 18 percent of the colleges changed their registration procedures.
- 9 percent of the colleges changed their application procedures.
- 6 percent of the colleges changed interdistrict attendance agreements.

All but one college that responded took at least five or more of these actions; no single action by itself was enough to meet current year budget shortfalls.

The following sections of this report describe these actions in greater detail under three broad categories: (1) instruction, (2) staff, and (3) budgets. Each section presents statewide summary information along with specific examples of local actions.

INSTRUCTIONAL CUTS

This year, many California students learned for the first time that the open door of the Community Colleges no longer guarantees access to the programs and courses they want to pursue. Beyond removing recreational and avocational courses from State support and shifting them to fee-supported community service classes or deleting them, colleges have offered fewer academic and occupational courses and sections, closed off-campus centers, reduced public information efforts and eliminated entire programs from the curriculum.

Course Reductions

The extent to which individual colleges and districts have had to reduce course offerings depended on a variety of considerations, including the level of district reserves, the extent of district cuts mandated by the $30 million statewide reduction in apportionments, college size, location, and overall budget condition. The most severely affected colleges, however, reduced their fall and spring term course sections by more than 20 percent below those of the previous year. Table 2 summarizes these reductions in course sections for both the fall and spring term. Clearly, the magnitude of course reductions in most districts exceeded those required by the $30 million budget reductions and were actions taken by the colleges to keep instructional expenditures within budgeted limits.

Because the choice by each college of budget actions in response to fiscal limitations depends on a number of factors, such as its goals, priorities, fiscal situation, clientele, and management philosophy, the Commission staff analyzed these actions in terms of four variables--size, level of support, level of reserves, and magnitude of current-year budget cuts. (Appendix B describes the specifications for each of these variables.) This analysis reveals that differences in course cutbacks between the fall and spring term were related to at least two of these variables--level of reserves and magnitude of budget cuts. During the fall term, the cutbacks appear to have been affected most significantly by the magnitude of budget reductions. For the spring term, however, when more institutions made larger course reductions than in the fall, these cutbacks were linked more closely to the lack of available reserves than to the size of budget cuts. For example, as Table 3 indicates, only 11.8 percent of colleges in districts with substantial reserves reported course cutbacks of more than 10 percent for the spring term, compared to over 50 percent for colleges in districts with low reserves. If colleges are not provided increased funding next year, larger reductions in course offerings may be expected as districts have used many of the available reserve funds this year to provide salary increases for employees, to fund capital outlay and deferred maintenance projects cut from the State budget, and to maintain the instructional program.

Colleges typically reduced course offerings both in accordance with the course list adopted by the Board of Governors in July to implement the $30 million budget reduction and to eliminate low-enrollment and often high-cost course sections. Consequently, they lost a smaller percentage of their student enrollment and Average Daily Attendance (ADA) than of their courses and sections. Overall, their Fall 1982 enrollment declined by 5.3 percent from Fall 1981--a loss of 76,542 students, from 1,431,524 in 1981 down to 1,354,982 in 1982--and their funded ADA dropped about 3 percent.

The elimination of courses with low enrollment has produced a range of effects, from simply a lack of choice in students' course scheduling to denial of student choice of courses.

- For example, at one large college, more than 4,000 students went through the entire registration process but then did not enroll in a single course.

TABLE 2 Reductions in Number of Course Sections Offered in 1982-83 Compared to 1981-82 (N=86 Colleges)

	Percent Reductions in Course Sections Offered			
	Under 5%	5.1 to 10%	Over 10%	Not Available
Fall Term				
Number of Colleges	37	18	17	14
Percent	43.0%	20.9%	19.8%	16.3%
Spring Term				
Number of Colleges	25	20	21	20
Percent	29.1%	23.3%	24.4%	23.3%

Source: California Postsecondary Education Commission Survey, March 1983.

Table 3 Reductions in Course Sections Offered Compared to Prior Year By Level of Year-End Balances and Magnitude of Current-Year Budget Cuts (N=72 Colleges Fall Term, N=66 Colleges Spring Term)

	Percent Reductions in Course Sections Offered					
	Under 5%		5.1 to 10.0%		Over 10.0%	
Fall Term Reductions	Number	Percent	Number	Percent	Number	Percent
Level of Reserves						
Low (N=22)	7	31.8%	4	18.2%	11	50.0%
Mid (N=30)	18	60.0%	9	30.0%	3	10.0%
High (N=20)	12	60.0%	5	25.0%	3	15.0%
Magnitude of Budget Cuts						
2.0% or Less (N=41)	26	63.4%	12	29.3%	3	7.3%
Greater than 2.0% (n=31)	11	35.5%	6	19.4%	14	45.2%
Spring Term Reductions						
Level of Reserves						
Low (N=23)	4	17.4%	7	30.4%	12	52.2%
Mid (N=26)	10	38.5%	9	34.6%	7	26.9%
High (N=17)	11	64.7%	4	23.5%	2	11.8%
Magnitude of Budget Cuts						
2.0% or Less (N=37)	16	43.2%	12	32.4%	9	24.3%
Greater than 2.0% (N=29)	9	31.0%	8	27.6%	12	41.4%

Source: California Postsecondary Education Commission Survey, March 1983.

- Several districts eliminated a substantially larger proportion of courses from their evening program than from their day offerings, and many colleges eliminated or reduced their summer session. At several rural colleges with large service areas, such cuts have meant eliminating courses altogether in some off-campus facilities in smaller communities throughout the district.

- Low-enrollment courses include many second-year courses designed for transfer students, and while districts are retaining these courses in the curriculum, some are now offering them only once a year or every third semester rather than every term.

- Other colleges have cut courses based on instructional cost, thereby eliminating or reducing high-cost courses in nursing, welding, machine tool design, and other expensive programs in order to reduce expenses.

Other Enrollment-Related Reductions

Other actions that colleges have taken to limit or reduce enrollments are listed in Table 4. Few colleges changed their application, registration, or interdistrict attendance agreements as a mechanism for controlling college enrollments, but over 40 percent reduced their student outreach, recruitment, and public information efforts. Several eliminated the position of public information officer or reassigned the incumbent. As one president stated, "When you're turning students away from classes at registration, it doesn't make sense to encourage more people to come to the campus." Other reductions

TABLE 4 Other Enrollment-Related Actions (N=86 Colleges)

Actions Taken	Yes		No	
	Number	Percent	Number	Percent
Shifted Previously State-Supported Courses to Community Service Classes	73	84.9%	13	15.1%
Eliminated Programs from the Curriculum	54	62.8%	32	37.2%
Reduced the Number of Off-Campus Locations	45	52.3%	41	47.7%
Reduced Student Outreach, Recruitment, or Public Information Efforts	35	40.7%	51	59.3%
Changed Registration Procedures	15	17.4%	71	82.6%
Changed Application Procedures	8	9.3%	78	90.7%
Changed Interdistrict Attendance Agreements	5	5.8%	81	94.2%

Source: California Postsecondary Education Commission Survey, March 1982.

in outreach and information efforts include eliminating local advertisement of college enrollment and registration dates, reducing high school campus orientation sessions, and eliminating the mailing of college course schedules to local residents.

Over half of the colleges indicated reductions in their number of off-campus locations. Some of these reductions were caused by increased costs for using local public school or other facilities, some of which were previously provided free of charge. In other instances, off-campus enrollments were insufficient to continue the college outreach efforts. In still others, colleges sought to cut administrative costs by reducing the coordination of off-campus instruction. As noted previously, the elimination of off-campus centers in rural districts sometimes meant the entire elimination of college courses for smaller communities. The president of a college in northern California indicated how the $30 million course cuts had led to this result: "The physical education and fine-arts courses in local high-school facilities used to cover the costs of history or English courses with eight or ten students enrolled. Without apportionment for those high-demand courses, we simply can't afford to maintain programs in the smaller communities."

Three-fifths of the colleges eliminated entire degree or certificate programs this year from their curriculum, and four-fifths shifted courses that were previously State supported to community service classes on a fee-supported basis. While much of this shift to community services was mandated by the $30 million budget reduction, many colleges shifted additional courses that their boards or administrators identified as low priority given limited funding. Nearly all of the respondents called for greater local decision making in the future identification of funding priorities, rather than relying on a statewide list of course titles and subject areas to identify low-priority courses. As one respondent stated:

> The colleges' mission was altered for budgetary reasons without the benefit of reviewing or really analyzing the implications. What we did was clear and clean but there wasn't time to review what was in the best interest of the community and the State.

Among the colleges that eliminated entire programs, several established formal program review procedures this year as a mechanism for deciding on program priorities and potential future cutbacks. Others modified their existing program review procedures to include considerations of the cost of offering programs. Several colleges indicated that while they used such measures as average class size, retention rates, and faculty workload in their program reviews, they had purposefully avoided using cost-per-ADA as a consideration in dropping programs. Continued budget limitations, however, would require them to base program decisions increasingly on fiscal considerations.

In short, although an assessment of the full impact of this year's budget constraints on college enrollment must await data from the colleges later this year, it is already evident--as illustrated by the 5.3 percent reduction in fall enrollment--that these funding limitations have curtailed access to the Community Colleges substantially.

STAFFING CUTS

The substantial course reductions described in the previous section, combined with this past year's overall fiscal stringency, led to faculty or staff cutbacks during 1982-83 at 82 of the 86 colleges that responded to the Commission's survey. Part-time faculty felt the brunt of these reductions. Fully 87 percent of the colleges reduced their number of part-time faculty, primarily through not renewing their contracts. Other staff reductions such as among counselors, administrators, and full-time faculty occurred at fewer institutions; and reductions in these ranks were accomplished primarily through attrition. Table 5 shows how these reductions in staffing were accomplished.

TABLE 5 Reductions in Staff (N=86 Colleges)

Staff Category	No Reductions	Reduction by Attrition Only	Reduction by Layoff Only	Reduction by Both Layoff and Attrition
Part-Time Faculty				
Number of Colleges	11	18	34	23
Percent	12.8%	20.9%	39.5%	26.7%
Full-Time Faculty				
Number of Colleges	17	48	4	17
Percent	19.8%	55.8%	4.7%	19.8%
Administration				
Number of Colleges	37	34	6	9
Percent	43.0%	39.5%	7.0%	10.5%
Learning Resources Staff				
Number of Colleges	45	29	6	6
Percent	52.3%	33.1%	7.0%	7.0%
Counseling Staff				
Number of Colleges	47	26	8	5
Percent	54.7%	30.2%	9.3%	5.8%
Student Services Staff				
Number of Colleges	47	25	5	9
Percent	54.7%	30.2%	9.3%	5.8%
Other Support Staff				
Number of Colleges	25	36	7	18
Percent	29.1%	41.9%	8.1%	20.9%

Source: California Postsecondary Education Commission Survey, March 1983.

Faculty Reductions

Layoffs of part-time faculty were less dependent on the financial condition of the college than were those of full-time faculty, since all colleges were required to remove specified avocational, recreational, and personal development courses from their State-supported college offerings. Reductions in full-time faculty were closely linked to the level of district budget reductions, which ranged between 0.9 and 6.6 percent and averaged 2.1 percent. As Table 6 shows, those institutions whose budgets were reduced by 2.0 percent or less had a strikingly less severe pattern of full-time faculty reductions than did those with higher budget reductions. Only 11.5 percent of the first group were forced to lay off full-time faculty, compared to 44.1 percent of the second. Similarly, 23.1 percent of the first group avoided any reductions in full-time faculty, in contrast to 14.7 percent of the second.

TABLE 6 Full-Time Faculty Reductions By Magnitude of Current-Year Budget Cuts (N=86 Colleges)

Magnitude of Budget Cuts	No Reductions	Attrition Only	Layoff Only	Layoff and Attrition
2.0% or Less (N=52)	23.1%	65.4%	1.9%	9.6%
Greater than 2.0% (N=34)	14.7%	41.2%	8.8%	35.3%

Source: California Postsecondary Education Commission Survey, March 1983.

Administrative Reductions

Over three-fifths of the colleges reduced their administrative staffs, as Table 5 shows, and an even larger percentage of the districts did so. To include district-level administrative staff in this analysis of staffing cuts required assessing administrative reductions from a district perspective rather than by college. Table 7 summarizes these reductions as reported by 60 of the 70 Community College districts. The responses are grouped into two categories, depending on the extent of districts' 1982-83 budget reductions.

TABLE 7 Administrative Staff Reductions By Magnitude of Current-Year Budget Cuts (N=60 Districts)

Magnitude of Budget Cuts	No Reductions	Attrition Only	Layoff Only	Layoff and Attrition
2.0% or less (N=37)	32.4%	59.5%	2.7%	5.4%
Greater than 2.0% (N=23)	30.4%	26.1%	13.0%	30.4%

Source: California Postsecondary Education Commission Survey, March 1983.

As was the case with full-time faculty, administrative layoffs were reported by a far larger proportion of districts suffering greater than average budget reductions than those with smaller reductions--43.4 percent, compared to 8.1 percent.

A number of districts implemented administrative reorganizations during the year. In some instances, these reorganizations were designed to cover responsibilities of vacated administrative positions, but others led to reassignment of administrators to teaching, counseling, or instructional support positions. One college president, for example, assumed counseling duties one day a week due to cutbacks in counseling staff. These reassignments were related closely to overall levels of year-end balances or reserves in the districts. Table 8 shows the percentage of districts avoiding and making reassignments, based on three categories of level of reserves. Clearly, as the level of reserves declines, a district's ability to cope with revenue shortfalls is diminished, forcing low-reserve districts to take a wider range of actions (including administrative reassignments) than well-off districts.

TABLE 8 Administrative Reassignments By Level of Reserves (N=60 Districts)

Level of Reserves	Administrative Reassignment	
	No	Yes
Low (N=15)	13.3%	86.7%
Mid (N=24)	45.8%	54.2%
High (N=21)	61.9%	38.1%

Source: California Postsecondary Education Commission Survey, March 1983.

Support Staff Reductions

Nearly half of the colleges undertook some reduction of their counseling, learning resource, student services, and other support staff as a result of current-year budget limitations. Reductions in these areas were made primarily through attrition and in many instances were coupled with reductions in the hours of service available to students, resulting in longer waits for counseling appointments, reduced access to learning resource centers for evening and off-campus students, and the elimination or reduction of counseling and support services for special clientele, such as reentry women. Only about 15 percent of the colleges laid off student service staff. Nevertheless, the magnitude of support-staff reductions may be substantial. For example, during the past few years, one urban college has reduced its counseling staff from 20 to 11 and has narrowed the focus of its counseling program to academic advisement and placement rather than dealing with personal counseling. A number of other colleges are similarly referring students who need personal

counseling to other community organizations in order to reduce their counseling staff and workload.

BUDGET CUTS

Beyond the course and staff reductions indicated above, colleges have taken a number of additional budget actions designed to bring expenditures in line with current-year revenues. These actions include those designed to generate additional revenue, such as creating college foundations for fund raising, as well as those aimed at reducing expenditures. Table 9 summarizes these budget actions of the responding districts.

TABLE 9 Budget Actions Taken to Meet Current-Year Fiscal Limitations (N=60 Districts)

Budget Action	Budget Action Taken			
	Yes		No	
	Number	Percent	Number	Percent
Deferring Scheduled Expenditures for:				
Equipment Replacement	54	90.0%	6	10.0%
Capital Outlay	52	86.7%	8	13.3%
Facilities Maintenance	48	80.0%	12	20.0%
Library Acquisitions	36	60.0%	24	40.0%
Using Reserve Funds to Support Current Operations	51	85.0%	9	15.0%
Increasing the Amount of Fees Charged	43	71.7%	17	28.3%
Increasing the Number of Permissive Fees Charged	42	70.0%	18	30.0%
Renegotiating Contract Provisions for Salary and/or Benefits for:				
Classified Staff	25	41.7%	35	58.3%
Full-Time Faculty	24	40.0%	36	60.0%
Certificated Non-faculty	20	33.3%	40	66.7%
Part-Time Faculty	18	30.0%	42	70.0%

Source: California Postsecondary Education Commission Survey, March 1983.

Deferring Expenditures

All but 2 of the 60 responding districts have reduced scheduled expenditures for instructional equipment, capital outlay, facilities maintenance, or library acquisitions. In several instances, they have eliminated scheduled expenditures in one or more of these categories altogether. More typically, however, they continued reducing expenditures from past years, leading to even larger backlogs of obsolete or inoperative instructional equipment, deferred capital construction, maintenance, and library resources. For the short term, such deferrals provide some flexibility in district budgets and prevent staff cuts. When extended year after year, however, they lead to serious consequences in the quality of education:

- Deferred maintenance and replacement of instructional equipment such as chemistry balances, electronic scopes, typewriters, and calculators, with equipment serviced or repaired only on an emergency basis, is resulting not only in higher long-term repair costs but also in loss of instructional time.

- Poorly calibrated measuring devices are leading to unreliable laboratory results.

- Shortages of supplies and equipment are limiting enrollment in new and emerging fields such as electronics and computer science. "We know we should be moving into high tech areas," commented one president, "but without resources to purchase equipment, to do planning and instructional development, we're behind--especially in telecommunications and computers--and getting further behind every day."

- Although the Community Colleges received State funding for deferred maintenance projects this year, these funds were frozen in January as part of the Governor's actions to help balance the State budget, leading to buckets and umbrellas in leaking classrooms on several campuses and, on one, to $20,000 damage to electronics laboratory equipment. (A recent Commission report, Facing the Issue of Facilities Maintenance in California Public Higher Education, describes in greater detail this growing backlog of deferred maintenance projects in the Community Colleges as well as the University of California and the California State University.)

Using Reserve Funds

As indicated in Table 9, all but nine of the reporting districts used reserve funds to support their current operations during 1982-83. Establishing the magnitude of this drain on reserves must await year-end reporting by districts, but prior fiscal-year information in Table 10 provides some indication of its possible extent. Statewide levels of the net ending balance and the uncommitted balance for the General Fund and Special Reserve Fund for each

TABLE 10 Net Ending and Uncommitted Balances for General Fund and Special Reserve Fund, June 30, 1981 and 1982

Balance	General Fund (Millions)	Special Reserve Fund (Millions)
As of June 30, 1981		
Net Ending Balance	$246.809	$105.593
Uncommitted Balance	$ 87.930	$ 15.514
Percent of Net Ending Balance	35.6%	14.7%
As of June 30, 1982		
Net Ending Balance	$190.749	$ 76.868
Uncommitted Balance	$ 71.732	$ 6.131
Percent of Net Ending Balance	37.6%	8.0%

Source: Chancellor's Office, California Community Colleges, December 1982.

of the past two years show that districts made substantial use of reserves during 1981-82. Entering the current fiscal year, their uncommitted balances represented about 5.6 percent of overall general apportionment revenues and their total net ending balances represented about 19.2 percent. Since last year's reserves served as a cushion in many districts against this year's revenue shortfalls, fewer districts will have such a cushion next year.

Increasing Permissive Fees

Forty-two of the 60 districts (70 percent) imposed new permissive charges at their institutions during 1982-83, and 43 districts increased the amount of their fees. New charges for parking and instructional materials were the most common additions, with many colleges imposing instructional materials charges on all course offerings for the first time. These fees, typically ranging from $1 to $40 per course, have most often been levied on a course-by-course basis, depending on the cost of class and laboratory materials. In some instances, however, districts have levied a common per-unit charge on all students in order to cover the cost of these materials campuswide. The Commission's recent report on student charges in the Community Colleges from Phase III of its response to Assembly Concurrent Resolution 81 calls on the Board of Governors to develop guidelines that promote greater consistency among districts in levying such fees.

New and increased permissive fees are not the only revenue-generating actions taken by the districts in response to fiscal stringency. A number of colleges have established foundations to raise money from private and corporate sources. Most of these foundations have not yet generated substantial additional revenue, however, and donations to them cannot be counted on to support more than a small fraction of a college's budget. Some districts also increased contract education programs with business and labor to provide on-site instruction for company employees, particularly in the electronics

and computer industries. Some of these contract courses are limited to employees; others are open to the general public with the firm providing its facilities free of charge or at a reduced rate; and still others aim to retrain former employees laid off due to economic conditions and technological change.

All of these revenue enchancement actions have helped replace State, local, and federal funds that have for the past five years lagged substantially behind inflationary costs. Increased reliance on these sources of funding, however, raises considerations of equity among districts, since these revenue sources are outside of the equalization mechanisms contained in general apportionment support. Clearly, local districts need the flexibility to raise revenue to meet unique local educational needs. If tax support is inadequate to fund their basic instructional programs, however, the ability of local colleges to raise funds through permissive student fees or from outside sources will increasingly determine the quality and availability of instruction.

Renegotiating Contracts

Twenty-six of the 60 districts renegotiated contracts for salary and/or benefits either for faculty, certificated non-faculty, or classified staff. In most instances, these renegotiations involved modifying medical or dental benefits caused by the rapidly increasing costs of health care. Several districts reduced the amount of their support for medical and dental insurance, while others retained overall support levels but either narrowed the range of covered services or limited the number of eligible health care providers.

Table 11 indicates the number of districts that reported contract renegotiations by their level of reserves. It shows that districts with few reserves were required far more often to renegotiate contracts than those with large reserves.

Table 12, which summarizes the distribution of faculty cost-of-living increases granted by all 70 districts during the past two years, makes clear the effects of this year's budget cuts on faculty salaries. Seventeen districts could not grant cost-of-living increases for 1982-83, compared to only seven in 1981-82. Breakdowns in the collective bargaining process occurred in many districts due to current-year budget constraints, with 12 districts still negotiating 1982-83 faculty cost-of-living adjustments as of mid-May.

Several administrators reported that staff morale and sense of community within their college suffered the greatest damage from funding limitations. "A serious consequence which no one has acknowledged thus far is the total erosion of the sense of comraderie and cooperation within the institution," stated the president of one college. "There are three groups that are at odds with one another--the faculty, the administration, and the classified staff. The students are caught in the eye of the storm and are powerless. Our students have no alternatives."

TABLE 11 Contract Renegotiations Reported By Level of Reserves (N=60 Districts)

Contract Renegotiations	Level of Reserves					
	Low (N=15)		Mid (N=24)		High (N=21)	
	Number	Percent	Number	Percent	Number	Percent
Full-Time Faculty	9	60.0%	11	45.8%	4	19.0%
Part-Time Faculty	5	33.3%	9	37.5%	4	19.0%
Certificated Non-faculty	7	46.7%	9	37.5%	4	19.0%
Classified Staff	10	66.7%	10	41.7%	5	23.8%

Source: California Postsecondary Education Commission Survey, March 1983.

TABLE 12 Faculty Cost-of-Living Increases

Year	Cost-of-Living Increases				
	In Negotiation	No Increase	4.0% or Under	4.1% to 8%	8.1% and Above
1981-82					
Number of Districts	--	7	5	39	19
Percent	--	10.0%	7.1%	55.5%	27.1%
1982-83					
Number of Districts	12	17	19	18	4
Percent	17.1%	24.3%	27.1%	25.7%	5.7%

Source: Chancellor's Office, California Community Colleges and Postsecondary Education Commission Telephone Surveys.

CONCLUSION

The responses of California's Community Colleges to current-year budget limitations described in previous pages are both encouraging and distressing. They are encouraging in showing how local boards, administrators, faculty, staff, and students are coping with reduced resources while seeking to maintain access and quality in their institutions. They are distressing in illustrating how recent cutbacks in support for college operations are changing the character and scope of these institutions. Several concerns are particularly pressing:

- This year's substantial decline in Community College enrollments can be attributed in large part to this year's cuts in funding. These cuts have also resulted in thousands of students being admitted to college but not being able to enroll in the courses they need.

- Progress in developing programs in emerging technologies and other vocational areas has been restricted by the lack of funds for purchasing and maintaining essential equipment, and some existing high-cost vocational programs are being cut back or dropped for reasons of cost despite an insufficient supply of trained personnel in these fields.

- The ability of some colleges to provide the breadth of courses necessary to continue their transfer function, particularly in the sophomore year, is further jeopardized by budget limitations.

- The use of faculty attrition to reduce college expenditures has serious implications for the ability of colleges to match student interest in particular programs and courses with available faculty.

- The growing backlog of inadequately maintained facilities has begun to jeopardize the State's investment in these facilities.

- The reliance of colleges on private outside support to finance general operations can help in part to maintain institutional quality, but in the long run this may produce serious disparities among districts in the quality of education available to citizens.

- While some districts have been able to use district reserves to cushion the impact of this year's budget cuts, those reserves are diminishing and in many instances will be depleted by next year. Another year without adequate funding will mean not only substantial reductions in access beyond this year's 5 percent enrollment decline but also serious reductions in the quality of instruction and services.

These findings from the Commission's survey lend support to the recent conclusions of the Accrediting Commission for Community and Junior Colleges of the Western Association of Schools and Colleges (1983, p.3):

> California's economy and California's future depend upon the state's maintaining its leadership in the intensely competitive

world of high technology. In this state, today's education is tomorrow's economy. Accelerated change in the technologies has created important demands for new courses and programs in fields such as electronics, telecommunications, and computer science.

Colleges cannot meet these needs without funds to procure equipment and support instruction. Furthermore, the Commission finds that in many instances funds are not available to replace deteriorating and obsolete equipment in existing programs.

An educational program is a great deal more than equipment and technology. Most importantly, it is relationships between teachers and learners on a personal, mind-to-mind basis. The quality of these relationships is changing under current conditions--changing for the worse.

The evidence that budget constraints have threatened the scope and quality of California's Community Colleges is now compelling. Securing resources for inflation increases to college budgets for 1983-84 is of primary importance in order to prevent their further deterioration.

APPENDIX A

Survey Questionnaire

CALIFORNIA POSTSECONDARY EDUCATION COMMISSION SURVEY
OF THE INSTITUTIONAL IMPACT OF 1982-83 BUDGET CONSTRAINTS
ON THE CALIFORNIA COMMUNITY COLLEGES

INSTITUTION: CODE:

The Commission is undertaking this survey with the cooperation of the Chancellor's Office of the California Community Colleges. The information you report will be shared with the Chancellor's Office, but published reports of the Commission or the Chancellor's Office will not identify your institution by name.

Please check any of the following actions that your institution has taken or is currently taking in response to current year fiscal constraints.

Enrollment

1. Attempting to control or reduce enrollment levels by changes in:
   Application procedures ☐
   Registration procedures ☐
   Interdistrict attendance agreements ☐
   Student outreach, recruitment, and public information efforts ☐
   Other ☐ (please specify) _____

Instruction

2. Reducing the number of course sections offered in 1982-83 compared to the same term in 1981-82: Fall Term ☐ Winter/Spring Term(s) ☐

   If checked, please estimate the percentage reductions in course section offerings over the prior: Fall Term: _____ percent Winter/Spring Term(s): _____ percent

   The largest number of reductions were made in this type of course: (check one):
   Academic/Transfer ☐ Vocational ☐ Remedial ☐ General Interest ☐

3. Shifting previously state-supported courses to community service status ☐
   Please estimate the approximate number of courses shifted: _____

4. Reducing the number of off-campus locations or closing off-campus centers ☐

5. Eliminating programs from the college curriculum ☐

Budget Actions

6. Increasing revenues from permissive student fees by:
   Increasing the number of permissive fees charged ☐
   Increasing the amount charged ☐

7. Using reserve funds for support of current operations ☐

8. Deferring scheduled expenditures for
   Equipment replacement ☐ Maintenance ☐
   Library acquisitions ☐ Capital outlay ☐
   Other ☐ (please specify) _____

over, please

9. Renegotiating contractual provisions for salary and/or benefits for:
   Full-Time Faculty ☐ Part-Time Faculty ☐
   Certificated Nonfaculty ☐ Classified Staff ☐

Staff Changes

10. Reducing the number of staff (check all that apply):

Full-Time Faculty	Layoff ☐	Attrition ☐	Reassignment ☐
Part-Time Faculty	Layoff ☐	Attrition ☐	Reassignment ☐
Administrative Staff	Layoff ☐	Attrition ☐	Reassignment ☐
Counseling Staff	Layoff ☐	Attrition ☐	Reassignment ☐
Other Student Services Staff	Layoff ☐	Attrition ☐	Reassignment ☐
Learning Resources Staff	Layoff ☐	Attrition ☐	Reassignment ☐
Other Support Staff	Layoff ☐	Attrition ☐	Reassignment ☐

11. Please describe any other actions that your institution is taking to cope with 1982-83 fiscal constraints:

12. Please indicate which of the actions you have taken this year has had the most significant impact on your institution:

13. Please describe what you believe to be the most significant effects of the State-mandated $30 million budget reduction on your institution:

If you would be willing to discuss the impact of budget contraints with Commission staff in greater detail than was possible here, please check: ☐

Respondent: _____ Telephone: ( ) ____-_____

Title: _____

Please return by no later than February 15, 1983 to: William Hamre, California Postsecondary Education Commission, 1020 12th Street, Sacramento, California 95814; (916) 322-8004.

Thank you.

APPENDIX B

Specification of Variables

SIZE

College responses were analyzed on the basis of headcount credit enrollment in the institution. Colleges were grouped into four size categories: (1) 5,000 or under; (2) 5,001 to 10,000; (3) 10,001 to 20,000; and (4) over 20,000. The 86 college respondents to the survey were distributed as follows.

Size Range	Number of Respondents	Percent
5,000 or Under	21	24.4%
5,001 to 10,000	23	26.7%
10,001 to 20,000	24	27.9%
over 20,000	18	20.9%
Total	86	100.0%

District responses were analyzed on the basis of average daily attendance (ADA) reported by the district. Districts were grouped into four size categories: (1) 4,000 or under; (2) 4,001 to 8,000; (3) 8,001 to 12,000; and (4) over 12,000. The 60 district respondents to the survey were distributed as follows.

Size Range	Number of Respondents	Percent
4,000 or Under	16	26.7%
4,001 to 8,000	17	28.3%
8,001 to 12,000	10	16.7%
Over 12,000	17	28.3%
Total	60	100.0%

LEVEL OF SUPPORT

College and district responses were analyzed on the basis of the level of revenue per ADA received by the district in the apportionment process. Respondents were grouped into three categories: (1) under $1,900; (2) $1,900 to $2,099; and (3) $2,100 and above. Respondents to the survey were distributed by support range as follows.

Support Range	College Number of Respondents	College Percent	District Number of Respondents	District Percent
Under $1,900	28	32.6%	21	35.0%
$1,900 to $2,099	33	38.4%	19	31.7%
$2,100 and Above	25	29.1%	20	33.3%
Total	86	100.0%	60	100.0%

LEVEL OF RESERVES

Survey responses were analyzed on the basis of the level of district net ending balances as of 6/30/82 in the general fund and special reserve fund as a percent of district apportionment revenue for 1982-83. Respondents were grouped into three categories: (1) Low-10.0% or below; (2) Mid-10.1% to 20.0%; and (3) High-Above 20.0%. Respondents to the survey were distributed by reserve range as follows.

Reserve Range	College Number of Respondents	College Percent	District Number of Respondents	District Percent
Low	26	30.2%	15	25.0%
Mid	34	39.5%	24	40.0%
High	26	30.2%	21	35.0%
Total	86	100.0%	60	100.0%

LEVEL OF CURRENT-YEAR BUDGET REDUCTIONS

Survey responses were analyzed on the basis of the level of district budget reductions due to the $30 million statewide apportionment reduction as a percent of district 1982-83 base revenues (first principal apportionment). Respondents were grouped into two categories: (1) 2.0% or below; and (2) above 2.0%. Respondents to the survey were distributed by the budget reduction range as follows.

Budget Reduction Range	College Number of Respondents	College Percent	District Number of Respondents	District Percent
2.0% or Under	52	60.5%	37	61.7%
Above 2.0%	34	39.5%	23	38.3%
Total	86	100.0%	60	100.0%

REFERENCES

Accrediting Commission for Community and Junior Colleges, Western Association of Schools and Colleges. "A Statement from the Accrediting Commission for Community and Junior Colleges to the People of the State of California and Their Elected State Officials." Aptos, Calif.: The Commission, March 1983.

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